

# School Business Alert

**December 10, 2010**

## **Income Surtax Payment**

Income Surtax payments were made to districts on December 1<sup>st</sup> by the Department of Management. The explanation for the payment was inadvertently not mailed. We have posted that payment to our website on the State Payment Schedule screen found at [http://www.iowa.gov/educate/index.php?option=com\\_content&task=view&id=1626&Itemid=2422](http://www.iowa.gov/educate/index.php?option=com_content&task=view&id=1626&Itemid=2422).

## **Fund Balance and PPEL Fund Changes**

The information regarding the fund balance and fund information was previously sent to the software providers. We will provide more information on the transition of the 6-30-10 fund balances for CAR purposes as they are known.

The Uniform Financial Accounting Iowa Chart of Account Coding has been updated for the changes due to GASB 54 and is now available on the web. The UFA Journal Entries have not been updated for the PPEL Fund number change and these fund balance changes, but will be as soon as time permits.

As indicated in earlier emails, GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, is significantly changing the component classifications of fund balance for the governmental funds effective for FY11 reporting. It has also changed the definitions of some of the fund types, which impacts the PPEL fund as noted below.

The detail account numbers we assigned are attached. As indicated in the prior emails, these are effective with FY11 reporting of governmental funds. Districts will need to review each of the fund balance accounts currently used and determine which new fund balance account should be used, based on the district's situation. Accordingly, it was not possible to prepare a direct crosswalk from one account to a different account for most of the accounts.

We have moved the PPEL Fund from Fund 23 to Fund 36. GASB 54 also changed the definitions of some of the governmental fund types. The definition for Capital Projects Funds was modified to include capital outlays for other capital assets (such as equipment) as well as capital facilities. The definition for Special Revenue Funds was modified to include resources for specific expenditures other than debt service or capital projects. After seeing these two definitions, we contacted GASB to see if the PPEL fund needed to be reclassified, even though the revenues were primarily property taxes and income surtax. GASB indicated that the PPEL fund should be reported as a Capital Projects Fund effective with FY11. We anticipated that Fund 23 will be invalid for FY11.

Account		Revised Descriptions / comments
710		<b>Nonspendable Fund Balance:</b>
	711	Nonspendable Inventory (if using purchases method or inventories are material)
	712	Nonspendable Prepaid Items (if using purchases method and material)
	713	Nonspendable Permanent Fund Principal
720		<b>Restricted Fund Balance (external constraints by law or others)</b>
	723	Restricted for Medicaid Reserve (The designation was required by the Feds. 3 districts reported in FY10)
	724	Restricted for Media Materials (AEA only) (General Fund only)
	725	Restricted for Special Education Support Services (AEA only) (General Fund only)
	726	Restricted for Revenue Bonds Reserve (LOSST Capital Projects Fund only)
	727	Restricted for Revenue Bonds Sinking (Debt Service Fund only)
	728	Restricted for General Obligation Bonds Sinking (Debt Service Fund only)
	729	Restricted for categorical aid carryover & other reserves (Must have project code if state funding) (Federal funding would be deferred revenue (see code 481) rather than restricted fund balance)
730		<b>Committed Fund Balance (Requires formal action of the government's highest level of decision-making authority prior to fiscal year end) (Same action to remove the commitment if not expended)</b>
	731	Committed by the board for specific special purposes (Use 741 if intent only and/or not formally approved by board before fiscal year end) (Also requires formal board action to remove the commitment)
	732	Committed by the board for specific cash flow (Never assigned)
	738	Committed by the board for Specific Special Education Support Services (AEA only) (General Fund only)
	739	Other Committed Fund Balance
740		<b>Assigned Fund Balance (Governments intends to use for specific purpose. Residual classification for special revenue, debt service, capital projects, and/or permanent funds (unless negative))</b>
	741	Assigned for specific special purposes (intended for specific purposes, or in funds other than general fund, the amounts not restricted or committed)
	748	Assigned for specific Special Education Support Services Purposes (AEA only) (GF Only)
	749	Other Assigned Fund Balance
750		<b>Unassigned Fund Balances (General Fund and Negative Balances in Other Governmental Fund Only)</b>
	758	Unassigned Special Education Support Services (General Fund only)
	759	Unassigned Fund Balances (General Fund and Negative Balances in Other Governmental Funds only)
760		<b>Investments in Capital Assets, Net of Related Debt (Used with Proprietary Fund, Fund 01 and Fund 02 only)</b>
770		<b>Restricted net assets (Used with Proprietary Funds, Fund 01 and Fund 02 Only)</b>
780		<b>Unrestricted net assets (Used with Proprietary Funds, Fund 01 and Fund 02 Only)</b>
790		<b>Budgetary Account (Used Only for Budgetary Control by Some Accounting Software Systems) (Optional)</b>
	798	Budgeted Fund Balance (Used Only for Budgetary Control)

<b>Fund</b>	PPEL Fund will move from Fund 23 to Fund 36
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### Grant Application Deadline – Dec. 17

The deadline for the Iowa Demonstration Construction Grant Program (IDCGP) is Dec. 17, 2010. The applications for the IDCGP Construction Grant and IDCGP Fire Safety Grant are available at: [http://www.iowa.gov/educate/index.php?option=com\\_content&task=view&id=97&Itemid=1345](http://www.iowa.gov/educate/index.php?option=com_content&task=view&id=97&Itemid=1345) . For questions, contact Gary Schwartz at the Iowa Department of Education at 515-281-4743 or [gary.schwartz@iowa.gov](mailto:gary.schwartz@iowa.gov).

## **School Business Alert – Web documents posted or updated since September 7, 2010**

- (red bullet designates posted / updated document)



### **School Business & Finance**

#### ❖ **Accounting & Reporting**

- CAR
  - 2010-2011 District AEA Flowthrough Amounts
- Indirect Cost Rates
  - 2010-2011 Indirect Cost Rates
- Uniform Financial Accounting
  - Iowa Chart of Account Coding

#### ❖ **Certified Enrollment**

- AEAs
- Nonpublic Schools
  - 2010 Non-Public Schools Certified Enrollment
- School Districts
- Supplementary Weighting

#### ❖ **Finance Roundtable**

#### ❖ **Financial Management**

- Allocation Summaries
- Audits
- Budgets, Area Education Agencies
  - FY2010-11 AEA Juvenile Home Advance Payment Schedule
  - FY12 Juvenile Home Budget Instructions
- Budgets, School Districts
- Public Fund Deposits & Rates
- SBRC
- School District Financial Report Cards
- School Finance Tools
- State Payment Schedule
  - September 2010 AEA State Aid Payment Summary
  - September 2010 ISL State Aid Payment Summary

- September 2010 LEA State Aid Payment Summary
- October 2010 AEA State Aid Payment Summary
- October 2010 ISL State Aid Payment Summary
- October 2010 LEA State Aid Payment Summary
- November 2010 AEA State Aid Payment Summary
- November 2010 ISL State Aid Payment Summary
- November 2010 LEA State Aid Payment Summary
- 2010-2011 State Payment Schedule
- December 2010 Income Surtax Payment

#### ❖ **Levies & Funds**

- Capital Project Funds
- Debt Service Levy
- General Fund
- Management Levy
- Public Disclosure of Outstanding Levies
- PPEL
- Public Education and Recreation Levy
- Student Activity Fund

#### ❖ **Procedures**

- Foster Care Claim
- Nonpublic Textbook Services
  - 2010-11
- Reorganization, Dissolution & Sharing
- School Board Officers
- School Business Alert
- School Finance Associations and Boards
- Tuition & Fees
- Uniform Administrative Procedures, AEAs
- Uniform Administrative Procedures, School Districts

#### ❖ **Stimulus Package Information – American Recovery and Reinvestment Act (ARRA)**



### **School Facilities**

#### ❖ **Construction**

- Davis-Bacon Act
- Historic Preservation
- Suspended & Debarred Contractors

#### ❖ **Data Collection**

#### ❖ **Funding**

- Iowa Demonstration Construction Grant
  - Iowa Demonstration Construction Grant ICN Powerpoint (2010-11)
  - 2010-2011 Information on Iowa Demonstration Construction Grants
  - 2010-11 IDCGP Fire Safety Grant Application

- 2010-11 IDCGP Construction Grant Application
- Statewide School Infrastructure Sales and Services Tax
- PPEL
- QSCB
- QZAB
- School Bonds

❖ **Maintenance**

- Environmental Protection & Indoor Air Quality
- Maintenance Planning

❖ **Planning**

- Closing/Restructuring Attendance Centers
- Facility Planning

❖ **Safety & Accessibility**

- Accessibility / ADA / 504
- Fire Safety
- Playground Safety
- School Building Safety

➡ **Advanced Learning Opportunities**

❖ **Gifted & Talented**

➡ **Resources**

❖ **FAQs**

- Uniform Financial Accounting

➡ **Diverse Learners**

❖ **At Risk**

- Funding

➡ **Educator Quality**

❖ **Mentoring and Induction for Beginning Educators**

- Allocations

❖ **Teacher Quality Program Guidance and Allocations**

- Market Factor Guidance on Appropriate Uses and Allocations

➡ **Administrator Quality**

❖ **Mentoring and Induction for Beginning Administrators**

- Allocations